

**MAY 20, 2020
CITY COUNCIL MEETING
ADDITIONAL MATERIAL/REVISIONS**

REQUESTED REVISIONS TO THE AGENDA/PACKET:

<u>ACTION</u>	<u>ITEM</u>	<u>REQUESTED BY</u>
Add to item D.1.	Ordinance No. 3117-2020 <ul style="list-style-type: none">• Memo Requesting Postponement	City Manager
Add to item D.7.	Ordinance No. 3130-2020 <ul style="list-style-type: none">• Amendment Memo	City Attorney
Add item G.12.	Action/Approval – Systems Designs West Contract Amendment.	City Manager



KENAI

City of Kenai | 210 Fidalgo Ave, Kenai, AK 99611-7794 | 907.283.7535 | www.kenai.city

MEMORANDUM

TO: Mayor Brian Gabriel and Kenai City Council
THROUGH: Paul Ostrander, City Manager
FROM: Scott Curtin, Director Public Works
DATE: *May 19, 2020*
SUBJECT: **Ordinance No. 3117-2020 – Acquire Snow Removal Equipment (SRE)
*POSTPONEMENT***

The Federal Aviation Administration has requested the City to temporarily postpone the release of this Bid as opportunities and requirements surrounding the CARES Act funding are being determined. As a result we are requesting to delay Council's action until the next meeting on May 20, 2020 when staff hopes to have more information from the Federal Aviation Administration on this issue.

Thank you for your consideration.

Update: May 19, 2020

The City received comments back from the FAA on May 14, 2020 to be incorporated into the Bid Set documents. Project is released for advertisement on May 20, 2020 with bids due on June 10, 2020. The remaining Ordinance information shall be provided to Council at the June 17th, 2020 Council Meeting. Council's patience is appreciated.



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MEMORANDUM

TO: Mayor Gabriel and Council Members
FROM: Scott Bloom, City Attorney
DATE: May 20, 2020
SUBJECT: Ordinance 3130-2020

Administration request Council move the following amendments:

1. Add last WHEREAS clause to read:

WHEREAS, consistent and scheduled reports from administration providing updates on the progress of any grant programs or other disbursement of funds, along with additional special Council meetings as needed, will assure that funds are utilized in a manner that maximizes the economic benefit of these funds to the residents of the City.

2. Amend Section 3 by replacing \$7,684,022 with \$7,700,832

At least one Council member expressed desire to make the following further amendments:

1. In the title Change the word "Pandemic" to "Public Health Emergency"
2. In the 8th WHEREAS, change the word "Pandemic" to "Public Health"
3. In the last original WHEREAS (will be second to last if WHEREAS noted above is added) change the word "Pandemic" to "Public Health Emergency"
4. In Sections 2 replace "pandemic" with "public health emergency" so Section 2 will read:

Section 2. Declaration of Emergency: That the COVID-19 public health emergency has created an emergency recognized on the federal, state and local level and that this Ordinance is necessary to immediately preserve public peace, health and safety.

5. In Section 3 replace the word "pandemic" with "public health" so Section 3 will read:

Section 3. That the City Manager is authorized to accept a grant in the amount of \$7,700,832 from the Federal Government passed through the State of Alaska for expenditures in response to and recovery from the COVID-19 Public Health Emergency.

Your consideration is appreciated.



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MEMORANDUM

TO: Mayor Gabriel and Council Members

FROM: Scott Bloom

DATE: May 20, 2020

SUBJECT: Laydown Action Approval Item for Amendment to Ambulance Billing Agreement

The City recently received the attached communication from Systems Design West, a company that provides ambulance billing services to the City. Systems Design West has requested an increase in charges of \$4.40 per transport as a COVID-19 surcharge for the months of April, May and June for increased work needed to process COVID-19 transports for City CARES Act reimbursement. The additional charge should qualify as an eligible CARES Act expense for the City and is anticipated to total around \$1,000 for the three months combined.

Your consideration is appreciated.



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MEMORANDUM

TO: Paul Ostrander, City Manager
THROUGH: Scott Bloom, City Attorney
FROM: Tony Prior, Fire Chief
DATE: May 20, 2020
SUBJECT: **Systems Design West temporary increase in billing**

Paul and Scott,

I talked to Jennifer Braus from Systems Design West (SDW) today and due to the mandates of the CARES Act and the increase in workload to implement these changes, they have implemented a surcharge of \$4.40 per patient transport. This surcharge will only be added for a 3 month period from April 1 through June 30, 2020 (3 billing cycles) to recoup costs associated with implementation.

I have attached the letter from SDW that states the added workload items resulting in the temporary increase. I recommend we approve the temporary surcharge.

May 7, 2020

Fire Chief Tony Prior
City of Kenai Fire Department
210 Fidalgo Ave
Kenai, AK 99611-7794

Dear Chief Prior:

I hope that you have been receiving and following Systems Design West's information updates regarding the CARES funding through HHS for providers on our website and emails. With Round 2 funding upon us, there is a great opportunity for providers to capture additional funding from the government to cover the impact of COVID-19.

It is wonderful and appropriate that there is a mechanism to ensure our essential healthcare providers financially make it to the other side of the pandemic intact. We are thrilled to be able to support you in your vital work through making sure you have all that you need to maximize your revenue compliant with your many payers. However, Systems Design West is not a provider in the traditional sense – we serve providers who have chosen to partner with us instead of tackling billing themselves (a wise choice!). Although we are financially tied to your transport volumes, which have declined sharply, we are not the recipient of these funds.

However, most of the work to implement the programs required by the CARES Act funding falls to Systems Design West as your billing partner. Some of the new work that we have taken on for providers stemming from this funding includes:

- Tracking COVID-19 and presumptive COVID-19 claims separately.
- Rebilling claims to meet backdating of new programs with updated, compliant information.
- An extra review of COVID-19 claims to not balance bill patients unless the provider has chosen to send back the money from Round 1.
- Sending a letter to COVID-19 patients without insurance to see if the patient can provide us with insurance to reduce any COVID-19 write-offs.
- Implementing a separate billing program for uninsured COVID-19 patients for all providers, that involves a submission of claims on May 6 to the HRSA website.
- Completing all appropriate refunds for claims that will inevitably be paid incorrectly due to the myriad moving parts of these programs.
- Ensuring compliance with updated signature rules.
- Verifying updated COVID-19 PCS process is being used correctly.
- Providing communications to clients round-the-clock in the form of newsletters, emails, and phone calls.
- Consulting with industry experts on behalf of clients to ensure compliant use of government funds.

These additional services and managing the complexity of new programs are coming at time when we are experiencing our own impact of COVID-19 as transport volumes are down and our expenses to deploy a remote workforce are up. To cover our costs for these additional services, Systems Design will be charging a COVID-19 surcharge: a 19% (\$4.40 per transport) surcharge on Systems Design's fee for

April transports through June transports. These additional costs are directly related to the increased efforts caused by the pandemic and can be counted toward your use of the HHS Relief Funds.

This letter, when signed below, can serve as the 'mutual agreement of both parties' to the proposed amendment pursuant to Section 18 of our Professional Services Agreement. At your earliest convenience, please return a signed copy of this letter to me as an agreement of this amendment.

On behalf of all of our staff at Systems Design West, I'd like to thank you for your continued support. We have enjoyed partnering with you for many years and look forward to many more!

Thank you in advance for your attention to this matter. If you have any questions or concerns, please reach out to me directly.

Sincerely,



Jennifer Braus
CEO

Approved, City of Kenai Fire Department

By: _____

Name: _____

Date: _____